WRITTEN ANSWERS TO STARRED QUESTIONS

Business conditions in India

*228. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that according to the World Bank's latest indicators on world development, it takes 4,115 days *i.e.*, a little over 11 years and 3 months to resolve an insolvency case in India;

(b) if so, whether it is a fact that this rate is the highest in the world and hence India is considered as one of the world's worst places to do business in;

(c) whether this is one of the main reasons that has adversely affected the Foreign Direct Investment (FDI) in India; and

(d) if so, the action Government propose to take to improve business conditions in India?

THE FINANCE MINISTER (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) No, Sir.

(c) Does not apply.

(d) A variety of steps have been taken, amongst which are:—

(i) a liberal and transparent FDI policy;

(ii) investment promotion efforts, by both the Central and State Governments;

(iii) on-line investment advisory support;

(iv) investment facilitation to ensure speedy implementation of FDI projects;

(v) delays in insolvency procedures sought to be minimized by the proposed establishment of National Company Law Tribunal.